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*All SBA programs and services are
provided on a nondiscriminatory
basis.*

*Comments regarding the
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SBA Advantage Programs

SBA now has three "Advantage" loan guarantee programs at lenders' disposal. Below are details on each program. Please contact your Syracuse District Office Representative with questions. Documents may be found at <http://archive.sba.gov/aboutsba/sbaprograms/elending/>

Small/Rural Lender Advantage

Small/Rural Lender Advantage is structured to encourage small, existing SBA lenders to make lower-dollar loans, which often benefit businesses in underserved markets.

- **Maximum Loan Size:** \$350,000
- **Guarantee:** 85 percent for loans up to \$150,000 and 75 percent for those greater than \$150,000.
- **Approval Times:** Average processing time of three to five business days (routine loans only).
- **Paperwork:** Small/Rural Lender Advantage features streamlined paperwork, with a two-page application for borrowers.
- **Lender Requirements:** Small/Rural Lender Advantage is open to financial institutions with 60 or less SBA loan approvals over the past three years.
- **Time Frame:** Eligible lenders may submit Small/Rural Lender Advantage loans immediately.

Small Loan Advantage

Small Loan Advantage is structured to encourage larger, existing SBA lenders to make lower-dollar loans, which often benefit businesses in underserved markets.

- **Maximum Loan Size:** \$250,000
- **Guarantee:** 85 percent for loans up to \$150,000 and 75 percent for those greater than \$150,000.
- **Approval Times:** Most Small Loan Advantage loans will be approved in a matter of minutes through electronic submission (e-Tran). Non-delegated Small Loan Advantage loans will be approved within five to 10 days.
- **Paperwork:** Small Loan Advantage features streamlined paperwork, with a

two-page application for borrowers and lenders can use their own note and guarantee agreement.

- **Lender Requirements:** Small Loan Advantage is open to financial institutions (currently 630 lenders) participating in SBA's Preferred Lender Program (PLP).
- **Time Frame:** Lenders can begin submitting Small Loan Advantage loans on February 15, 2011.

Community Advantage

Community Advantage is a *pilot* initiative aimed at increasing the number of SBA 7(a) lenders who reach underserved communities, targeting community-based, mission-focused financial institutions which were previously not able to offer SBA loans.

- **Maximum Loan Size:** \$250,000
- **Guarantee:** 85 percent for loans up to \$150,000 and 75 percent for those greater than \$150,000.
- **Approval Times:** Most Community Advantage loans will be approved within five to 10 business days.
- **Paperwork:** Community Advantage features streamlined paperwork, with a two-page application for borrowers.
- **Lender Requirements:** Community Advantage is open to mission-focused lenders, including Community Development Financial Institutions (non-Federally regulated), SBA's Certified Development Companies and SBA's nonprofit microlending intermediaries. Community Advantage lenders will be expected to maintain at least 60 percent of their SBA loan portfolio in underserved markets.
- **Time Frame:** Community Advantage is a three-year pilot initiative. SBA will begin taking applications from mission-focused lenders interested in Community Advantage on February 15, 2011, with their subsequent loan applications being accepted in the weeks that follow.



The most important Conference of the year for SBA Lenders!

The 2011 America East Conference will be held August 15-17, 2011 in Niagara Falls/Buffalo, New York.

As the economy recovers, more and more small businesses will need capital to support their growth. Participants will learn how the newly broadened SBA loan guarantee programs can help lenders take full advantage of the recovery while mitigating risk and

balance sheet exposure.

SBA loan programs should be a key part of every lender's recovery strategy, a proven tool for attracting new customers with competitive loans for capital expansion and working capital needs and a source of high quality earnings.

Additional details, including website address and registration information, will be provided at a later date.

504 Debt Refinancing Program

Market research shows that a large percentage of commercial mortgages outstanding are set to mature within the next few years, particularly those held by community banks. As real estate values have declined, however, even small businesses that are performing well and making their payments on time can have a hard time refinancing these loans and may need to restructure their debt.

Under the Small Business Jobs Act, the SBA implemented a temporary program—authorized until September 27, 2012—allowing small businesses to refinance eligible fixed assets in the 504 program without requirement of an expansion, as is the case with typical 504 loans. This program will provide small businesses the opportunity to lock in long-term, stable financing, as well as protect jobs.

Key Program Features

- This temporary program was launched on February 17, 2011 and began accepting loan applications on February 28, 2011. The program will end on September 27, 2012.
- Borrowers can finance up to 90 percent of the current appraised property value, or 100 percent of the outstanding principal, whichever is lower, plus 504 eligible refinancing costs.
- The program is initially opened only to businesses with immediate need. Priority is on those businesses potentially at risk because they face loan maturity or balloon payments before December 31, 2012. SBA will later revisit the program parameters, and may open the program to businesses with later balloon payments or that can

demonstrate need in other ways.

- The program is structured like SBA's traditional 504 loan program: borrowers will work with third-party lending institutions and SBA-approved CDCs, typically private, non-profit organizations to obtain financing, in a traditional 10 percent/ 50 percent/ 40 percent split.
- SBA estimates that as many as 20,000 businesses may ultimately participate in this program, which will provide up to \$15 billion in SBA-guaranteed financing leading to total project financing of over \$30 billion.
- The program, which is completely separate from SBA's traditional 504 program, is zero-subsidy, requiring no cost to the taxpayer. It will be funded entirely through additional fees assessed for refinancing projects.

Key Risk Mitigating Factors

- Applicants must demonstrate that their loans are current and that they have successfully made all required payments in the last year.
- A new, independent appraisal will be required for all projects.
- SBA will perform full and thorough underwriting on all refinancing applications (i.e., there are no 'delegated' lenders).
- Initially, the first mortgage loans on existing 504 projects are not eligible, and "cash out" refinancings are not permitted. SBA may later revisit these restrictions. In addition, no government guaranteed loan is eligible for this refinancing program.

Syracuse SBA District - YTD FY 11 by County
10/1/10 - 02/28/11

	<u>504 Approvals</u>		<u>7A Approvals</u>		<u>Total 504 & 7A Approvals</u>	
ALBANY	2	\$707,000	23	\$3,136,500	25	\$3,843,500
BROOME	3	\$1,182,000	32	\$6,108,900	35	\$7,290,900
CAYUGA			8	\$888,500	8	\$888,500
CHEMUNG			13	\$3,175,300	13	\$3,175,300
CHENANGO			7	\$860,300	7	\$860,300
CLINTON			5	\$1,760,000	5	\$1,760,000
COLUMBIA	2	\$429,000	1	\$180,000	3	\$609,000
CORTLAND	1	\$275,000	4	\$497,000	5	\$772,000
DELAWARE			1	\$50,000	1	\$50,000
ESSEX			3	\$2,302,000	3	\$2,302,000
FRANKLIN			4	\$314,000	4	\$314,000
FULTON	1	\$190,000	1	\$50,000	2	\$240,000
GREENE	1	\$219,000	1	\$12,500	2	\$231,500
HAMILTON			1	\$150,000	1	\$150,000
HERKIMER			6	\$455,000	6	\$455,000
JEFFERSON			5	\$770,000	5	\$770,000
LEWIS	1	\$273,000	1	\$66,000	2	\$339,000
MADISON			7	\$1,546,700	7	\$1,546,700
MONTGOMERY			1	\$39,000	1	\$39,000
ONEIDA	1	\$186,000	24	\$3,490,800	25	\$3,676,800
ONONDAGA	4	\$2,631,000	53	\$10,361,000	57	\$12,992,000
OSWEGO	1	\$264,000	13	\$4,161,100	14	\$4,425,100
OTSEGO			6	\$1,583,800	6	\$1,583,800
RENSSELAER	1	\$170,000	8	\$783,500	9	\$953,500
SAINT LAWRENCE	1	\$657,000			1	\$657,000
SARATOGA	5	\$1,122,000	29	\$6,716,900	34	\$7,838,900
SCHENECTADY	1	\$451,000	7	\$1,296,800	8	\$1,747,800
SCHOHARIE	1	\$642,000	2	\$304,000	3	\$946,000
SCHUYLER			7	\$1,420,600	7	\$1,420,600
STEUBEN			21	\$5,700,500	21	\$5,700,500
TIOGA			3	\$210,000	3	\$210,000
TOMPKINS	1	\$371,000	11	\$1,314,000	12	\$1,685,000
WARREN	2	\$824,000	11	\$1,543,000	13	\$2,367,000
WASHINGTON	1	\$340,000			1	\$340,000
Grand Total	30	\$10,933,000	319	\$61,247,700	349	\$72,180,700

Syracuse SBA District Loan Approvals - YTD FY 11 (10/1/10 - 02/28/11)
by number of loans

SBA 7(a) Loan Approvals

M&T Bank	89	\$17,059,000
NBT Bank	29	\$3,925,700
Five Star Bank	21	\$6,636,300
New York Bus. Dev. Corp.	20	\$6,743,800
Adirondack Trust Co.	17	\$1,537,300
KeyBank	16	\$1,407,500
Adirondack Bank	12	\$905,700
Alliance Bank, N.A.	8	\$1,054,300
Corning FCU	8	\$683,100
USNY Bank	7	\$2,126,000
The Oneida Savings Bank	7	\$1,170,000
First Niagara Bank NA	7	\$808,000
Chemung Canal Trust Company	7	\$395,000
HSBC Bank	6	\$768,500
Citizens Bank	6	\$431,000
Pathfinder Bank	5	\$740,000
Solvay Bank	5	\$600,000
Tioga State Bank	4	\$2,455,000
Community Bank	4	\$464,500
JPMorgan Chase Bank	4	\$399,800
Glens Falls National Bank	4	\$364,000
National Union Bank, Kinderhook	3	\$535,000
Saratoga National Bank	3	\$350,000
Berkshire Bank	3	\$311,500
Ballston Spa National Bank	3	\$253,200
Superior Financial	3	\$35,000
Legacy Banks	2	\$632,000
Tompkins Trust Company	2	\$400,000
First Citizens Bank & Trust	1	\$2,285,000
Small Business Capital LLC	1	\$2,152,000
TD Bank	1	\$1,200,000
United Midwest Savings Bank	1	\$670,000
City National Bank	1	\$320,000
Capital Source Bank	1	\$317,000
Newtek Small Bus. Finance Inc.	1	\$211,000
The Bank Of Bennington	1	\$204,000
The Lyons National Bank	1	\$160,000
Unity Bank	1	\$160,000
Citizens & Northern Bank	1	\$155,000

SBA 7(a) Loan Approvals

Live Oak Banking Company	1	\$100,000
The Elmira Savings Bank	1	\$72,500
Steuben Trust Co	1	\$50,000
Total 7(a) Loan Approvals	319	\$61,247,700

504 Loan Approvals

Empire St. Cert. Dev. Corp	26	\$8,605,000
Greater Syracuse Bus. Dev. Co	3	\$2,064,000
Operation Oswego County, Inc.	1	\$264,000
Total 504 Loan Approvals	30	\$10,933,000

Total 7(a) & 504 Loan Approvals 349 \$72,180,700

504 Third Party Lenders

NBT Bank	5	\$2,967,462
M&T Bank	4	\$2,919,000
First Niagara	2	\$1,455,000
JPMorgan Chase Bank	2	\$1,192,400
National Union Bank, Kinderhook	2	\$1,140,000
Solvay Bank	2	\$1,028,500
New York Bus. Dev. Corp.	2	\$883,394
Community Bank	2	\$707,344
Pioneer Savings Bank	2	\$666,500
Tompkins Trust Co.	1	\$600,000
Ballston Spa National Bank	1	\$297,000
Ulster Savings Bank	1	\$290,000
Alliance Bank	1	\$280,000
SEFCU	1	\$227,500
The Bank of Greene County	1	\$124,950
First National Bank of Scotia	1	\$120,000
Total Third Party Loan Approvals	30	\$14,899,050

Microloans

Alternatives FCU	14	\$228,200
Adirondack Economic Dev. Corp	7	\$107,962
REDEC	1	\$8,000
Columbia Hudson Partnership	1	\$2,200
Total Microloan Approvals	23	\$346,362

Syracuse SBA District Loan Approvals - YTD FY 11 (10/1/10 - 02/28/11)
by dollar amount

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